Important TennCare Pharmacy Changes

In order to simplify the practices of prescribers and pharmacists, while reducing pharmacy costs, TennCare is making major changes to the pharmacy program. These changes will only be successful with the cooperation and support of the entire TennCare provider community.

On July 1, 2003, TennCare will move to a single, statewide preferred drug list (PDL) for the entire pharmacy program. Furthermore, TennCare will employ a single pharmacy benefits manager (PBM) to process all TennCare pharmacy claims and respond to all prior approval requests. Starting on July 1, 2003, all TennCare pharmacy claims will be submitted to ACS (Consultec) for processing and payment. TennCare has extended the ACS contract through December 31, 2003. TennCare will soon issue an RFP (a request for proposals or bids) for a long term contract with a PBM that will start on January 1, 2004.

The TennCare PDL will utilize the state's purchasing power as leverage to increase drug rebates, while maintaining quality care. TennCare will cover only preferred drugs and those drugs not included on the PDL will require prior approval. If a pharmaceutical manufacturer agrees to specific, additional rebates then a non-preferred drug can be added to the PDL and avoid prior approval status. Governor Bredesen, Lieutenant Governor Wilder and House Speaker Naifeh will appoint a TennCare Pharmacy Advisory Committee composed of Tennessee physicians, pharmacists and nurse practitioners who will provide valuable input to the composition of the PDL. It is very important that prescribers and pharmacists work together to ensure compliance with the PDL.

TennCare will work closely with ACS to assure the transition is as seamless as possible. The TennCare PDL will be implemented over 3 months, starting mid-August. TennCare asks that all providers work with their patients to switch drug regimens to the drugs listed on the PDL during the next ninety (90) days. This phase-in period will allow for a smooth transition and reduce the number of prior approval requests providers, ACS and TennCare will have to process. It is our intent to provide a therapeutically sound PDL while better managing pharmacy costs within the TennCare program.

The Grier Consent Decree remains in effect and requires pharmacy providers to dispense up to a 14-day emergency supply of non-preferred drugs that are in normally covered therapeutic categories. The pharmacy must also provide the TennCare member with the TennCare Drugstore Notice (appeal form) when either a 14-day supply is dispensed or a pharmacy service is denied.

On the next page you will find a list of helpful telephone and facsimile numbers. Thank you for your valuable participation in the TennCare program.

Drug Prior Approval

Drug Prior Approval Mailing Address:

866-506-4375   Prior Approval Telephone Desk
866-506-4377   Prior Approval Fax Number

Attention: TennCare PA Desk
Northridge Center One
365 Northridge Road
Suite 400
Atlanta, Georgia 30350

Pharmacy Claims Processing Information

BIN: 610084
PCN: MEDIPROD
GRP: 5555275527
VER: 3C

NOTE: ALL TENNCARE CLAIMS MUST BE SUMITTED WITH NCPDP VERSION 3C. All
MCO PHARMACY CLAIMS HAD BEEN PREVIOUSLY SUBMITTED USING
VERSION 3A.

Pharmacy Provider Help Desk
877-296-1935

NCPDP Payor Sheet for TennCare
Version 3.2(3C)?

Data Element	Format	Required Status	Description / Valid Values
Required Transaction Header Section			
ANSI BIN	N	Required	Enter "610084"
Version Number	2 A/N	Required	Enter "3C"
Transaction Code	2 N	Required	Valid values: 00, 01, 02, 03, 04, 11, 24, 31, 32, 33, 34
Processor Control Number	8 A/N	Required	MEDIPROD - Production Claims MEDITEST - Test Claims
Pharmacy ID	7 N	Required	Enter your seven-digit NCPDP Provider Number.
Group Number	10 N	Required	Enter your 10 digit group number, #5555275527.
Cardholder ID Number	9 N	Required	Use the member's TennCare ID Number.
Person Code	2 N	Optional	Always "01" if an entry required by your system.
Date of Birth	8 N	Required	8 digit format: CCYYMMDD
Sex Code	1 N	Required	Valid Values: 1= Male, 2= Female 0=Unspecified
Relationship Code	1 N	Required	Default to Self
Other Coverage Code	1 N	Conditional	Valid Values: 0 - Not Specified 1 - No Other Coverage Identified 2 - Other Coverage Exists - Payment Collected 3 - Other Coverage Exists - This Claim Not Covered 4 - Other Coverage Exists - Payment Not Collected
Date Filled	8 N	Required	8 digit format: CCYYMMDD

NCPDP Payor Sheet for TennCare
Version **3.2C**

Data Element	Format	Required Status	Description / Valid Values
Optional Header Information Section			
Customer Location	2 N	Optional	This field is not used.
Eligibility Clarification Code	NCPDP	Optional	This field is not used
Patient First Name	NCPDP	Optional	
Patient Last Name	NCPDP	Optional	
Required Claim Header Information Section			
Rx Number	7 N	Required	Must match prescription number in claim record s.
New / Refill Number	2 N	Required	00 = New prescription, 01-99 = Number of refills
Metric Quantity	NCPDP	Optional	This field is not used.
Days Supply	3 N	Required	Estimated number of days the prescription will last.
Compound Code	1 N	Conditional	Compounded prescriptions must be billed by ingredient with a Compound Code "2".
NDC Number	11 N	Required	
Dispense As Written (DAW) Code /Product Selection Code	NCPDP	Optional	Valid Values: 1 = Substitution not allowe d by prescriber 7 = Brand mandated by law.
Ingredient Cost	NCPDP	Required	Format = s$$$$cc
Prescriber ID	7 A/N	Required	Enter the TennCare Provider Number of the prescriber or the prescriber's DEA number.
Date Rx Written	NCPDP	Required	8 digit format: CCYYMMDD
Usual & Customary Charge	NCPDP	Required	The pharmacy's usual and customary charge to the public, including ingredient cost and dispensing fee.

NCPDP Payor Sheet for TennCare
Version **3.2C**

Data Element	Format	Required Status	Description / Valid Values
Optional Claim Information Section			
Prior Authorization / Medical Certification Code & Number	NCPDP	Conditional	For early refill override, enter a "02".
Level of Service	NCPDP	Optional	This field is not used.
Diagnosis Code	NCPDP	Optional	This field is not used.
Unit Dose Indicator	NCPDP	Optional	This field is not used.
Gross Amount Due	NCPDP	Optional	Total prescription price claimed. Format = s$$$$cc
Other Payor Amount	NCPDP	Conditional	Enter the total amount of the payment(s) rec eived from other payor(s).
Patient Paid Amount	NCPDP	Optional	This field is not used.
Incentive Amount Submitted	NCPDP	Optional	This field is not used.
DUR Conflict Code	2 A/N	Conditional	See Page 4 for Valid Values.
DUR Intervention Code	2 A/N	Conditional	See Page 4 for Valid Values.
DUR Outcome Code	2 A/N	Conditional	See Page 4 for Valid Values.
Metric Decimal Qty	**8 N**	**Required**	**Format = 99999.999**
Other Payor Date	NCPDP	Conditional	Required if Other Coverage Code is equal to 2, 3 or 4. Enter the date in CCYYMMDD format that the other carrier denied or paid this claim.

Other Information

? An optional data element means that the user should be prompted for the field but does not have to enter a value. A conditional data element means that certain sit uations may warrant an entry to avoid a claim rejection.

? DUR information, if applicable, will appear in the message text of the response.

? As of July 1, 2000, TennCare will require metric decimal quantity on all pharmacy claims.

? As of July 1, 2003, All TennCare pharmacy claims, regardless of MCO affiliation, will be processed by ACS State Healthcare

DUR Codes

DUR conflict codes

Code	Meaning	Code	Meaning
AT	Additive toxicity	LD	Low dose alert
CH	Call Help Desk	LR	Under use precaution
DA	Drug allergy alert	MC	Drug disease precaution
DC	Inferred drug disease precaution	MN	Insufficient duration alert
DD	Drug - Drug interactions	MX	Excessive duration alert
DF	Drug food interactions	OH	Alcohol precaution
DI	Drug incompatibility	PA	Drug age precaution
DL	Drug lab conflict	PG	Drug pregnancy alert
DS	Tobacco use precaution	PR	Prior adverse drug reaction
ER	Over use precaution	SE	Side effect alert
HD	High dose alert	SX	Drug gender alert
IC	Iatrogenic condition alert	TD	Therapeutic duplication
ID	Ingredient duplication		

Intervention codes

Code	Meaning	Code	Meaning
M0	MD interface	R0	Pharmacist reviewed
P0	Patient interaction		

DUR Outcome codes

Code	Meaning	Code	Meaning
1A	Filled - False positive	1F	Filled - Different quantity
1B	Filled as is	1G	Filled after prescriber approval
1C	Filled with different dose	2A	Not filled
1D	Filled with different directions	2B	Not filled - Directions clarified